

## Safety & Environmental Enforcement, Interior

## §250.1158

### §§ 250.1153–250.1155 [Reserved]

#### APPROVALS PRIOR TO PRODUCTION

#### **§250.1156 What steps must I take to receive approval to produce within 500 feet of a unit or lease line?**

(a) You must obtain approval from the Regional Supervisor before you start producing from a reservoir within a well that has any portion of the completed interval less than 500 feet from a unit or lease line. Submit to BSEE the service fee listed in §250.125, according to the instructions in §250.126, and the supporting information, as listed in the table in §250.1167, with your request. The Regional Supervisor will determine whether approval of your request will maximize ultimate recovery, avoid the waste of natural resources, or protect correlative rights. You do not need to obtain approval if the adjacent leases or units have the same unit, lease (record title and operating rights), and royalty interests as the lease or unit you plan to produce. You do not need to obtain approval if the adjacent block is unleased.

(b) You must notify the operator(s) of adjacent property(ies) that are within 500 feet of the completion, if the adjacent acreage is a leased block in the Federal OCS. You must provide the Regional Supervisor proof of the date of the notification. The operators of the adjacent properties have 30 days after receiving the notification to provide the Regional Supervisor letters of acceptance or objection. If an adjacent operator does not respond within 30 days, the Regional Supervisor will presume there are no objections and proceed with a decision. The notification must include:

- (1) The well name;
- (2) The rectangular coordinates (x, y) of the location of the top and bottom of the completion or target completion referenced to the North American Datum 1983, and the subsea depths of the top and bottom of the completion or target completion;
- (3) The distance from the completion or target completion to the unit or lease line at its nearest point; and
- (4) A statement indicating whether or not it will be a high-capacity completion having a perforated or open

hole interval greater than 150 feet measured depth.

#### **§250.1157 How do I receive approval to produce gas-cap gas from an oil reservoir with an associated gas cap?**

(a) You must request and receive approval from the Regional Supervisor:

(1) Before producing gas-cap gas from each completion in an oil reservoir that is known to have an associated gas cap.

(2) To continue production from a well if the oil reservoir is not initially known to have an associated gas cap, but the oil well begins to show characteristics of a gas well.

(b) For either request, you must submit the service fee listed in §250.125, according to the instructions in §250.126, and the supporting information, as listed in the table in §250.1167, with your request.

(c) The Regional Supervisor will determine whether your request maximizes ultimate recovery.

#### **§250.1158 How do I receive approval to downhole commingle hydrocarbons?**

(a) Before you perforate a well, you must request and receive approval from the Regional Supervisor to commingle hydrocarbons produced from multiple reservoirs within a common wellbore. The Regional Supervisor will determine whether your request maximizes ultimate recovery. You must include the service fee listed in §250.125, according to the instructions in §250.126, and the supporting information, as listed in the table in §250.1167, with your request.

(b) If one or more of the reservoirs proposed for commingling is a competitive reservoir, you must notify the operators of all leases that contain the reservoir that you intend to downhole commingle the reservoirs. Your request for approval of downhole commingling must include proof of the date of this notification. The notified operators have 30 days after notification to provide the Regional Supervisor with letters of acceptance or objection. If the notified operators do not respond within the specified period, the Regional Supervisor will assume the operators